

MINUTES

**California Industrial Development
Financing Advisory Commission
915 Capitol Mall, Room 587
Sacramento, California
June 19, 2007**

1. CALL TO ORDER & ROLL CALL

Bettina Redway, Acting Chair, called the California Industrial Development Financing Advisory Commission (CIDFAC) meeting to order at 10:34 a.m.

Members Present: Bettina Redway for Chairman Bill Lockyer, State Treasurer
Tom Sheehy for Michael C. Genest, Director, Department of Finance
Cindy Aronberg (via teleconference) for John Chiang, State Controller
Preston DuFauchard, California Corporations Commissioner,
Department of Corporations
Stanton Hazelroth for Dale Bonner, Agency Secretary,
Business, Transportation and Housing Agency

Staff Present: Tom Dresslar, Executive Director
Eileen Marxen, Deputy Executive Director

Quorum: The Chair declared a quorum

2. APPROVAL OF MAY 22, 2007 MEETING MINUTES

Ms. Redway asked if there were any additions, corrections, or deletions to the May 22, 2007 meeting minutes. There were none.

Mr. Sheehy moved to approve the minutes; upon a second, the motion was unanimously approved.

3. EXECUTIVE DIRECTOR'S REPORT

Tom Dresslar opened with the Executive Director's report noting one Industrial Development Bond (IBD) Program project on the June Agenda seeking Board approval to amend the financial structure from a letter of credit backed public offering to a private placement. Mr. Dresslar further noted the Core IDB Program's total allocation is \$60,000,000, and total bonds issued or pending issuance under the Core Program amount to \$49,200,000. Also, the Small Business Program's (SBP) total allocation is \$8,000,000, and total bonds issued or pending issuance under the SBP amount to \$6,275,000.

Mr. Hazelroth inquired about the possibility of increasing the IDB allocation if it becomes necessary.

Ms. Redway replied that the California Debt Limit Allocation Committee (CDLAC) would have to reallocate cap to IDBs.

Ms. Marxen stated that CIDFAC may be over subscribed and have transactions in need of additional allocation. She said that if there is any allocation that appears to be available at the end of the year from other categories, CIDFAC may request additional allocation from CDLAC. In any case, CIDFAC will keep CDLAC apprised of its pipeline of IDB transactions for the remainder of 2007. Ms. Marxen stated that she is in contact with issuers and finance teams to develop a firm pipeline of IDB transactions for the September allocation round.

Mr. DuFauchard asked why allocation was issued on a calendar year basis rather than a fiscal year basis.

Ms. Marxen replied that allocation is awarded by the federal government on a calendar year basis.

Ms. Redway asked the Board Members and the audience if there were any questions or public comments. There were none.

4. BUSINESS ITEMS

Cindy Aronberg stated for the record that the State Controller is required to not participate in items involving Wells Fargo; therefore, the State Controller's Office would not participate in the next agenda item.

A. REQUEST TO APPROVE AMENDMENT TO INITIAL AND FINAL RESOLUTIONS FOR TAX-EXEMPT (TE) BONDS

Staff introduced James Hamill, Program Manager for the California Statewide Communities Development Authority (CSCDA).

On behalf of Western Milling Quality Feeds LLC and/or its affiliates, CSCDA requested approval to amend the IR/FR approved on March 20, 2007 to reflect a change in the financing structure from a letter of credit backed public offering through Bank of the West to a private placement with a Qualified Institutional Buyer, namely GE Capital Public Finance. The bonds will be issued in accordance with CIDFAC's private placement policy.

The Project remains the same as presented at the March 20, 2007 CIDFAC meeting when Initial and Final Resolution Number 07-0005 for \$10,000,000 was approved. Bond proceeds will continue to be used to reimburse the Company's cost to construct

Agenda Item – 2.

a state-of-the-art grain rolling facility, commodity barn, and a rail spur, which allows the Company to bring 100 car unit trains from the Union Pacific main line.

Mr. DuFauchard asked if the tax-exempt bonds will be rated.

Mr. Hamill replied that the tax-exempt bonds will not be rated. He said that a private investor will buy the tax-exempt bonds.

Mr. Hazelroth moved approval of the amended Resolution; upon a second; the motion was approved, with an abstention by Cindy Aronberg.

5. PUBIC COMMENT

Ms. Redway asked the audience if there were any public comments. There were none.

6. ADJOURNMENT

There being no further business, public comments, or concerns, the meeting adjourned at 10:43 A.M.

Respectfully submitted,

Tom Dresslar
Executive Director